

STAND. COM. REP. NO. 2309

Honolulu, Hawaii

**FEB 17 2026**

RE: S.B. No. 3168  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2026  
State of Hawaii

Sir:

Your Committee on Economic Development and Tourism, to which was referred S.B. No. 3168 entitled:

"A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish the Hawaii Technology Development Corporation Revolving Fund to provide state matching funds for federal grants awarded to the Hawaii Technology Development Corporation that support innovation, technology, research, and manufacturing initiatives;
- (2) Require annual reports to the Legislature; and
- (3) Appropriate funds.

Your Committee received testimony in support of this measure from the Hawai'i Technology Development Corporation; Hawaii Food Industry Association; Normal Corporation; Maui Chamber of Commerce; Uncle's Ice Cream; PacMar Technologies; Pi'ikū Co.; Hub Coworking Hawaii; Pacific Impact Zone; Hawaiian King Candies, LLC; Island Princess; Coffees of Hawaii; Maui Brewing Co.; Nāmaka Algae, Inc.; Hawai'i Farm Bureau; Hawaii Fish Company Inc.; Chamber of Commerce Hawaii; and one individual.



Your Committee finds that the need for timely and reliable state matching funds to unlock federal grant opportunities has presented a longstanding challenge for technology-driven economic development. The State risks losing opportunities for significant federal investments that would catalyze local innovation, job creation, and commercialization because the process for securing state matching funds from the Hawaii Technology Development Corporation is not currently aligned with federal grant timelines. This measure enhances the Corporation's capacity to leverage public-private partnerships and federal resources to support the growth of the local technology industry.

Your Committee has amended this measure by:

- (1) Changing the appropriation amount from \$10,000,000 to an unspecified amount to encourage further discussion on the measure;
- (2) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development and Tourism that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3168, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3168, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Development and Tourism,

  
LYNN DECOITE, Chair



